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UNITED STATES DEPARTMENT OF AGRICULTURE Agricultural Marketing Administration

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No. 48

"AMA WAR BOARD" Letter Wash., D. C.

De. 28, 1942

RATIONING: Secretary Wickard in radio address over Nation-wide hook-up last night (Dec. 27) announced that he has called for rationing of all canned, dried and frozen fruits and vegetables, including fruit juices. Point system of rationing will be used. Program is to become effective as soon as Office of Price Administration can set up machinery. (It is hoped that program will be in effect early in February.)

Office of War Information Director Elmer Davis spoke on broadcast with Secretary Lickard, and discussed reason for announcing the rationing program in advance of the effective date. (It is urged that FDA WB members pay particular attention to this reasoning, which explained that only way rationing could be started was to announce it in advance, OPA couldn't handle program without training the 1,500,000 voluntary workers who will be needed to institute program and educate consumers and merchants on its details.)

Point rationing for these processed fruits and vegetables and juices will be followed by similar programs for other products, including meat.

Copies of addresses of Secretary Wickard and O.I Director Davis will be mailed all FDA WB members as soon as available. You are urged to read and re-read both addresses to become familiar with details of program and in order to answer the questions that are expected to arise.

MEAT: More equitable distribution of available supplies of meat will be sought under a program in which the Nation's meat industry, through the American Meat Institute, will cooperate. The industry will determine where there are local shortages resulting from wartime factors such as population shifts, transportation difficulties, price ceilings and restriction orders and will take steps to see that supplies of meat are made available. In announcing program, Secretary Wicks pointed out that the industry is well equipped to handle the problem and that suc en approach would be better than additional governmental regulation. While it is not possible to increase total civilian meat supplies because of requirements of our own armed forces and our allies, the Secretary promised that every practical stop will be taken to distribute equitably supplies that are available. Two definite steps already have been taken. To relieve immediate shortages, packers have been permitted to begin using seles quotes for January-March period during 1. st 12 days of this month. More permanent action was taken in elimination of uneven price ceilings in different areas. This is expected to improve distribution in those areas that were short in supply for some weeks because of low price ceilings in relation to price maximums in other areas.

In working program, a temporary shortage of certain meats, will not be considered a total meat shortage. That is, if no beef is available for a short period, consumers probably will have to take pork, veal, lamb, variety meats such as liver, tongue, etc., or poultry or seafood.

Increased Government requirements and an abnormally large consumer demand has caused meat shortage. Consumers with larger incomes are seeking about 25 percent more meat than they bought in 1941. While farmers increased meat production by about this amount, Government requirements will more than absorb the increase...

RESIGNATION: Donald E. Montgomery, Consumers' Counsel of USDA has resigned, effective December 31. This office, under FDA, will be filled within a few days, FDA Director Hendrickson accepted Mr. Montgomery's resignation with regret and stated that he had been directed by Scaretary Wickard to greatly strengthen and expand consumer work.

COTTON: Purchase of about 200,000 bales of cotton on open market is contemplated by FDA. Seeking offers of Middling and Strict Middling grade and 1", 1-1/32" and 1-1/16" staple length from now until January 9, closing date of purchase offer. Purchases will be made on basis of lowest figures of closing range of prices of March contracts on either New Orleans or New York cotton exchanges on day preceding date of acceptance of offers, or at prices quoted by offerers. Bidders are requested not to make offers of less than 50 bales of one grade and staple nor of less than 100 bales for delivery at any one warehouse. Cotton delivered in warehouses located on trunk-line transportation is desired. Irrigated cotton is not wanted since previous purchases and Commodity Credit Corporation stocks of that type are ample to meet present requirements. The better quality cotton that is being sought is necessary for military requirements abroad. Stock of short staple cotton abroad are sufficient. This purchase program is expected to furnish requirements of allied Nations through early fall of 1943...

FIELD PURCHASE OPERATIONS: Practically all field purchase programs have been discontinued. Offer and acceptance purchase program for apples in Washington and Oregon, scheduled to start during past week, has been postponed until December 28...

FARM MOBILIZATION DAY has been set for January 12. FDA Director Hendrickson has expressed hope that all people in FDA will take a full part in the program to take the Nation's call for production to farm people and to help them answer that call.

REORGANIZATION of AMA into FDA is proceeding. Interdepartmental Committee composed of representatives of USDA, War Production Board and Budget Bureau are working out details of transfer of certain WPB activities to FDA. It is hoped that this will be cleared up in a few days.